

**Introduced by Committee on Governmental Organization (Senators Wright (Chair), Calderon, Denham, Florez, Harman, Negrete McLeod, Oropeza, Padilla, Price, Wyland, and Yee)**

March 8, 2010

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An act to amend Sections 19401, 19481.5, and 19501 of the Business and Professions Code, relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1486, as introduced, Committee on Governmental Organization. Horse racing law intent: backstretch personnel housing: jockey riding fees.

(1) Existing law provides that the intent of the Horse Racing Law is to allow parimutuel wagering on horse races while, among other things, supporting the network of California fairs.

This bill would delete from that statement of intent supporting the network of California fairs.

(2) Existing law provides that the California Horse Racing Board shall adopt emergency regulations to establish standards governing the employee housing provided to backstretch personnel at licensed racetracks, as specified. No license shall be issued to a racing association to conduct a horse race meeting unless the board has inspected the housing conditions that exist on the racetrack's backstretch and determined the living conditions to be in compliance with the standards established by the board.

This bill would delete any reference to the emergency regulations in these provisions, for which compliance was mandated by January 1, 2004, rendering the language obsolete.

(3) Existing law provides various findings of the Legislature in regards to professional jockey fees, including that the riding fee should

be increased at least as much on a percentage basis as the state minimum wage, so that the average full-time jockey can earn an income sufficient to provide for the basic necessities of life. Existing law provides that minimum jockey riding fees for losing mounts and minimum amounts awarded to 2nd and 3rd place finishers be increased by a specified amount as of January 1, 2008, and by additional amounts on later dates, as specified.

This bill would delete obsolete language from those provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 19401 of the Business and Professions  
2     Code is amended to read:  
3     19401. The intent of this chapter is to allow parimutuel  
4     wagering on horse races, while:  
5     (a) Assuring protection of the public.  
6     (b) Encouraging agriculture and the breeding of horses in this  
7     state.  
8     ~~(c) Supporting the network of California fairs.~~  
9     ~~(d)~~  
10    (c) Providing for maximum expansion of horse racing  
11    opportunities in the public interest.  
12    ~~(e)~~  
13    (d) Providing uniformity of regulation for each type of horse  
14    racing.  
15    SEC. 2. Section 19481.5 of the Business and Professions Code  
16    is amended to read:  
17    19481.5. (a) Notwithstanding any other provision of law, no  
18    license shall be issued to conduct a horse racing meeting upon a  
19    track unless the track has been inspected by the board within 30  
20    days prior to the date of application for a license and the track has  
21    been approved by the board as conforming to the racetrack safety  
22    standards set forth in subdivision (a) of Section 19481.  
23    ~~(b) The board shall, within 120 days of the effective date of this~~  
24    ~~subdivision, adopt emergency regulations in accordance with the~~  
25    ~~Administrative Procedure Act (Chapter 3.5 (commencing with~~  
26    ~~Section 11340) of Part 1 of Division 3 of Title 2 of the Government~~  
27    ~~Code)~~ to establish standards governing the employee housing

1 provided to backstretch personnel at licensed racetracks. These  
2 regulations shall be deemed to be an emergency and necessary for  
3 the immediate preservation of the public peace, health and safety,  
4 or general welfare, shall be commensurate with the housing  
5 standards established in the Employee Housing Act (commencing  
6 with Section 17000 of Division 13 of the Health and Safety Code),  
7 and shall consider the following:

8 (1) The health and safety of the human and equine population  
9 and the necessity for humans and horses to live in close proximity.

10 (2) The housing needs of state or county facilities with live  
11 racing ~~meeting~~ *meetings* of no more than 43 days in duration that  
12 do not operate as year-round training facilities. The board shall  
13 specifically consider the different needs of these facilities compared  
14 to permanent facilities or other state and county facilities that  
15 function on a year-round basis, including state and county fair  
16 facilities that operate as a year-round training facilities where  
17 horses are stabled and workers live.

18 (3) Compliance of facilities with racing meetings of 19 days or  
19 less, even if they operate as a year-round training facility, with  
20 this subdivision shall be contingent on funding in the 2002–03  
21 Budget Act.

22 ~~These emergency regulations shall be submitted to the Office~~  
23 ~~of Administrative Law for filing with the Secretary of State and~~  
24 ~~publication in the California Code of Regulations and shall be~~  
25 ~~replaced by final, permanent regulations within 18 months of their~~  
26 ~~adoption. Every racing association shall be in compliance with~~  
27 ~~these housing standards by January 1, 2004.~~

28 (c) Commencing January 1, 2004, the board, with assistance  
29 from the California Department of Housing and Community  
30 Development or a local building department or other local entity  
31 designated by the jurisdiction in which the racetrack is located,  
32 shall annually inspect the living conditions of backstretch employee  
33 housing to ensure compliance with the housing standards  
34 established by the board, the findings or results of which shall be  
35 submitted to the board. No license shall be issued to a racing  
36 association to conduct a horse race meeting unless the board has  
37 inspected the housing conditions that exist on the racetrack's  
38 backstretch and determined the living conditions to be in  
39 compliance with the standards established by the board in  
40 subdivision (b).

(d) The board may assess a reasonable fee upon racing associations to defray the costs associated with the inspections provided for in subdivision (c).

SEC. 3. Section 19501 of the Business and Professions Code is amended to read:

19501. (a) The Legislature finds and declares the following:

(1) Professional jockeys are vital to the horse racing industry and the work they perform is very dangerous.

(2) The minimum wage that jockeys receive in a horse race is established by the ~~California Horse Racing Board~~ *board* as a minimum jockey riding fee. Jockeys may earn additional compensation if the horse they are racing is a winning mount, a second place mount, or a third place mount.

(3) The minimum jockey riding fee has not kept up with inflation or the cost of living. Since 1970, the state minimum wage has increased at more than twice the rate that the average jockey riding fee increased over the same period.

(4) The riding fee should be increased at least as much on a percentage basis as the state minimum wage, so that the average full-time jockey can earn an income sufficient to provide for the basic necessities of life.

(b) (1) ~~Effective January 1, 2008, the scale of minimum jockey riding fees for losing mounts established by the board shall be increased by ten dollars (\$10) per mount from the rate in effect on December 31, 2007, except that this increase shall not be applicable to the two highest fees on the scale.~~ Effective January 1, 2010, the scale of minimum jockey riding fees for losing mounts established by the board shall be increased by ten dollars (\$10) per mount from the rate in effect on December 31, 2009. Effective January 1, 2012, the scale of minimum jockey riding fees for losing mounts established by the board shall be increased by ten dollars (\$10) per mount from the rate in effect on December 31, 2011, except the three lowest fees on the scale shall be increased by five dollars (\$5) per mount. Thereafter the scale of minimum jockey riding fees for losing mounts shall be increased whenever the state minimum wage is increased by the percentage of that increase.

(2) ~~Effective January 1, 2008, the minimum amount awarded to the jockey who finishes second or third in a race shall be increased by ten dollars (\$10) per race over the amount required to be paid on December 31, 2007.~~ Effective January 1, 2010, the

1 minimum amount awarded to the jockey who finishes second or  
2 third in a race shall be increased by ten dollars (\$10) over the  
3 amount required to be paid on December 31, 2009. Effective  
4 January 1, 2012, the minimum amount awarded to the jockey who  
5 finishes second or third in a race shall be increased by five dollars  
6 (\$5) over the amount required to be paid on December 31, 2011.  
7 This subdivision shall apply to races in which the purse is nine  
8 thousand nine hundred ninety-nine dollars (\$9,999) or less.

9 (c) No jockey shall be paid less than the minimum jockey riding  
10 fees established pursuant to this section.

11 (d) Nothing in this section prohibits the board from increasing  
12 the minimum jockey riding fee above the minimum level required  
13 by this section.